

# House File 2372 - Introduced

HOUSE FILE 2372  
BY COMMITTEE ON VETERANS  
AFFAIRS

(SUCCESSOR TO HSB 651)

## A BILL FOR

1 An Act exempting from the individual income tax all pay  
2 received from the federal government for certain military  
3 service in support of the national guard and including  
4 retroactive applicability provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.7, subsection 42A, Code 2014, is  
2 amended to read as follows:

3 42A. Subtract, to the extent included, all pay received by  
4 the taxpayer from the federal government for military service  
5 performed while on active duty status in the armed forces, the  
6 armed forces military reserve, or the national guard, including  
7 pay for service performed pursuant to 32 U.S.C. §502(f) and 32  
8 U.S.C. §709(a) and (b).

9 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies  
10 retroactively to January 1, 2014, for tax years beginning on  
11 or after that date.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with  
14 the explanation's substance by the members of the general assembly.

15 This bill exempts from the individual income tax all pay  
16 received by a taxpayer from the federal government for military  
17 service performed in support of the national guard pursuant to  
18 32 U.S.C. §502(f) and 32 U.S.C. §709(a) and (b). This exempts  
19 certain income received by active duty and reserve personnel,  
20 certain operational support personnel, and certain dual-status  
21 federal technicians.

22 The bill applies retroactively to January 1, 2014, for tax  
23 years beginning on or after that date.